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RUSTON CITY MARSHAL'S OFFICE

**FINANCIAL REPORT
 SEPTEMBER 30, 2002**

Under provisions of state law, this report is a public document. A copy of the report has been submitted to the audit and cost accounting department. The report is available for public inspection at the Ruston Rouge office of the Louisiana Auditors and, where appropriate, at the office of the parish clerk of court.

Release Date 2/26/03

RUSTON CITY MARSHAL'S OFFICE

FINANCIAL REPORT SEPTEMBER 30, 2002

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DON M. McGEHEE
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INDEPENDENT AUDITOR'S REPORT

Honorable F. Michael Hilton
Ruston City Marshal's Office
P.O. Box 1582
Ruston, LA 71273

I have audited the accompanying general purpose financial statements of the Ruston City Marshal's Office, a component unit of the City of Ruston, as of and for the year ended September 30, 2002, as listed in the table of contents. These general purpose financial statements are the responsibility of the Ruston City Marshal's Office's management. My responsibility is to express an opinion on these general purpose financial statements based on my audit.

I conducted my audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States. These standards require that I plan and perform the audit to obtain reasonable assurance about whether the general purpose financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the general purpose financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. I believe that my audit provides a reasonable basis for my opinion.

In my opinion, the general purpose financial statements referred to above present fairly, in all material respects, the financial position of the Ruston City Marshal's Office as of September 30, 2002, and the results of its operations for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with Government Auditing Standards, I have also issued a report dated January 3, 2003, on my consideration of the Ruston City Marshal's Office's internal control over financial reporting and my tests of its compliance with certain provisions of laws, regulations, contracts, and grants. That report is an integral part of an audit performed in accordance with Government Auditing Standards and should be read in conjunction with this report in considering the results of my audit.



Don M. McGehee
Certified Public Accountant
January 3, 2003

GENERAL PURPOSE FINANCIAL STATEMENTS (COMBINED STATEMENTS—OVERVIEW)

RUSTON CITY MARSHAL'S OFFICE

COMBINED BALANCE SHEET--ALL FUND TYPES AND ACCOUNT GROUP SEPTEMBER 30, 2002

	<u>Governmental Fund Type</u>	<u>Fiduciary Fund Type</u>	<u>Account Group General</u>	<u>Totals (Memoran- dum Only)</u>
	<u>General</u>	<u>Agency</u>	<u>Fixed Assets</u>	
ASSETS				
Cash	\$ 47,558	\$ 3,828	\$ 0	\$ 51,386
Investments	40,818	0	0	40,818
Interest Receivable	289	0	0	289
Fixed Assets	0	0	78,992	78,992
TOTAL ASSETS	\$ 88,432	\$ 3,828	\$ 78,992	\$ 171,250
LIABILITIES AND EQUITY				
LIABILITIES:				
Bonds Held for Future Disposition	\$ 0	\$ 3,100	\$ 0	\$ 3,100
Undisbursed Fines and Court Costs	0	728	0	728
TOTAL LIABILITIES	0	3,828	0	3,828
FUND EQUITY:				
Investment in General Fixed Assets	0	0	78,992	78,992
Fund Balance--Unreserved and Undesignated	88,432	0	0	88,432
TOTAL FUND EQUITY	88,432	0	78,992	167,424
TOTAL LIABILITIES AND FUND EQUITY	\$ 88,432	\$ 3,828	\$ 78,992	\$ 171,250

See accompanying notes to financial statements.

RUSTON CITY MARSHAL'S OFFICE

STATEMENTS OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE—GOVERNMENTAL FUND TYPE FOR THE YEAR ENDED SEPTEMBER 30, 2002 WITH COMPARATIVE AMOUNTS FOR THE YEAR ENDED SEPTEMBER 30, 2001

	<u>2002</u>	<u>2001</u>
REVENUES		
Bonding Fees	\$ 11,028	\$ 10,389
Commissions on Court Costs	85,647	84,521
Driving Course Fees	8,475	8,379
Home Incarceration Fees	0	7,009
Interest Income	3,141	4,577
On-Behalf Revenue	183,489	145,087
Other Fees	551	1,423
TOTAL REVENUES	<u>295,339</u>	<u>236,281</u>
EXPENDITURES		
Capital Outlay—Equipment	7,709	2,757
Accounting Fees	2,575	2,169
Community Service Programs	1,217	2,208
Dues and Subscriptions	536	743
Equipment Repair and Maintenance	830	275
Insurance	250	256
Law Enforcement Supplies	978	1,603
Miscellaneous	322	408
Office Supplies	4,823	5,254
On-Behalf Expenses	183,489	145,087
Payroll Taxes	0	478
Professional Fees	0	2,000
Rent	330	360
Restaurant	3,829	4,910
Salaries	32,880	40,440
School Seminars and Travel	1,789	3,904
Telephone and Utilities	5,580	6,900
Truck Expense	8,439	7,709
Uniforms	1,286	480
TOTAL EXPENDITURES	<u>238,678</u>	<u>228,855</u>
EXCESS OF REVENUES OVER(UNDER) EXPENDITURES	<u>15,661</u>	<u>11,806</u>
FUND BALANCE—BEGINNING	<u>72,771</u>	<u>81,185</u>
FUND BALANCE—ENDING	<u>\$ 88,432</u>	<u>\$ 72,771</u>

See accompanying notes to financial statements.

RUSTON CITY MARSHAL'S OFFICE

**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES--
BUDGET (GAAP BASIS) AND ACTUAL--GOVERNMENTAL FUND TYPE
GENERAL FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2002**

	<u>Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
REVENUES			
Bonding Fees	\$ 10,500	\$ 11,426	\$ 1,426
Commissions on Court Costs	60,000	65,647	5,647
Driving Course Fees	7,500	6,475	975
Interest Income	3,500	3,141	(359)
On-Behalf Payments	165,185	165,469	(586)
Other Fees	800	651	(149)
TOTAL REVENUES	<u>246,485</u>	<u>252,758</u>	<u>6,654</u>
EXPENDITURES			
Capital Outlay--Equipment	10,000	7,769	2,211
Accounting Fees	2,575	2,575	0
Community Service Program	1,200	1,217	(17)
Dues and Subscriptions	600	639	281
Equipment Repair and Maintenance	1,500	650	870
Insurance	250	250	0
Law Enforcement Supplies	2,000	978	1,022
Miscellaneous	1,500	322	1,178
Office Supplies	5,500	4,893	607
On-Behalf Expenses	165,185	165,469	(586)
Rent	360	330	30
Retirement	4,000	3,629	371
Salaries	34,660	32,660	1,990
Schools, Seminars and Travel	3,500	1,799	1,701
Telephone and Utilities	6,500	5,503	997
Truck Expenses	10,000	9,439	561
Uniforms	2,500	1,205	1,294
TOTAL EXPENDITURES	<u>293,235</u>	<u>239,678</u>	<u>12,562</u>
EXCESS OF REVENUES OVER(UNDER) EXPENDITURES	<u>(4,749)</u>	<u>15,981</u>	<u>20,499</u>
FUND BALANCE--BEGINNING	<u>72,771</u>	<u>72,771</u>	<u>0</u>
FUND BALANCE--ENDING	<u>\$ 68,022</u>	<u>\$ 88,432</u>	<u>\$ 20,499</u>

See accompanying notes to financial statements.

RUSTON CITY MARSHAL'S OFFICE

NOTES TO THE FINANCIAL STATEMENTS SEPTEMBER 30, 2002

The Ruston City Marshal's Office receives fees and costs for services rendered on civil and criminal cases, in accordance with state law, for the administration and staff support of the elected position of the Ruston City Marshal. The elected position of Ruston City Marshal was created by special legislative Act RS 13:1652 (20). Its territorial jurisdiction extends throughout Lincoln Parish, Louisiana. The Marshal is the executive officer of the court who executes the orders and mandates of the court. He also acts as custodian of cash bail bonds, fines and court costs, and civil amounts collected. The Marshal can appoint deputy marshals to help him fulfill his responsibilities. The Marshal receives fees for services rendered on civil cases, in accordance with state law, from the civil fund he administers for the Ruston City Court.

In April of 1984, the Financial Accounting Foundation established the Governmental Accounting Standards Board (GASB) to promulgate generally accepted accounting principles and reporting standards with respect to activities and transactions of state and local governmental entities. In November of 1984, the GASB issued a codification of governmental accounting and financial reporting standards. This codification is recognized in the United States of America as generally accepted accounting principles for state and local government. The accounting and reporting policies of the Ruston City Marshal's Office conform to these generally accepted accounting principles and the requirements of Louisiana Revised Statutes 24:523 and to the guidelines set forth in the Louisiana Governmental Audit Guide and to the industry audit guide, Audits of State and Local Government Units, published by the American Institute of Certified Public Accountants. The following is a summary of the more significant policies:

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Reporting Entity

For financial reporting purposes, in conformity with GASB Statement No. 14, the Ruston City Marshal's Office is a component unit of the City of Ruston. For the purposes of this financial report this component unit serves as the nucleus for its own financial reporting entity and issues separate financial statements.

B. Fund Accounting

The accounts of the Ruston City Marshal's Office are organized on the basis of funds, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund equity, revenue and expenditures. Ruston City Marshal's Office revenues are allocated for in these individual funds based upon the purpose for which they are to be spent and the means by which spending activities are controlled. The various funds are grouped, in the financial statements presented in this report, into two generic fund types and two broad fund categories as follows:

Governmental Funds--

General Fund. The General Fund is the general operating fund of the Ruston City Marshal's Office. It is used to account for all financial resources except those required to be accounted for in another fund.

Fiduciary Funds--

Agency Fund. The Agency Fund is used to account for assets held by the Ruston City Marshal's Office as an agent for individuals and private organizations. Agency Funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations. At any given point in time, total Agency Fund assets are exactly offset by related liabilities including amounts due to the parties for whom the assets are being held by the Ruston City Marshal's Office. Agency Funds have no fund equity. Agency Funds do not have GAAP operations or GAAP operating statements.

RUSTON CITY MARSHAL'S OFFICE

NOTES TO FINANCIAL STATEMENTS (CONTINUED) SEPTEMBER 30, 2002

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

General Fixed Assets Account Group--

The General Fixed Assets Account Group is used to account for fixed assets used in governmental fund type operations for control purposes. All fixed assets are valued at historical cost. No depreciation is recorded on general fixed assets. General fixed assets are recorded as an expenditure in the governmental fund type when purchased.

C. Basis of Accounting

Basis of accounting refers to when revenues and expenditures are recognized and reported in the financial statements. Basis of accounting relates to the timing of the measurements made, regardless of the measurement focus applied.

The General Fund uses the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recognized when susceptible to accrual (i.e., when they become both measurable and available). "Measurable" means the amount of the transaction can be determined and "available" means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. A sixty day availability period is used for revenue recognition for all revenues. Interest revenues are susceptible to accrual. Commissions and fees are not susceptible to accrual because generally they are not measurable until received in cash. Expenditures are recognized when the related fund liability is incurred.

D. Budgetary Practices

The Ruston City Marshal's Office prepared an operating budget on its General Fund for the year ended September 30, 2002, as required by generally accepted accounting principles as applicable to governmental units. The operating budget is monitored by management and amended throughout the year as necessary. The amended budget for the General Fund is presented in the Statement of Revenue, Expenditures, and Changes in Fund Balance--Budget and Actual. No budgets are necessary on Agency Funds of the Ruston City Marshal's Office as these funds are of a custodial nature.

Appropriations lapse at year-end and must be reappropriated for the following year to be expended.

E. Cash and Investments

Cash and cash equivalents consist of cash on hand, interest bearing demand deposits, and time deposits with original maturities of three months or less from the date of acquisition. Investments consist of time deposits with original maturities in excess of three months from the date of acquisition. Under state law, the Marshal may deposit funds in demand deposits, interest bearing demand deposits, money market accounts, or time deposits with state banks organized under Louisiana law and national banks having their principal offices in Louisiana. Deposits are carried at cost which approximates market value.

F. Vacation and Sick Leave

Vacation and sick leave are noncumulative. There are no accumulated and vested benefits relating to vacation and sick leave that require accrual or disclosure at year end.

RUSTON CITY MARSHAL'S OFFICE

NOTES TO FINANCIAL STATEMENTS (CONTINUED) SEPTEMBER 30, 2002

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

G. Total Columns on the Combined Statement

The total columns on the combined statement is captioned Memorandum Only to indicate that they are presented only to facilitate financial analysis. Data in these columns does not present financial position in conformity with generally accepted accounting principles. Neither is such data comparable to a consolidation.

H. Comparative Data

Comparative total data for the prior year has been presented in certain of the accompanying financial statements in order to provide an understanding of changes in the financial position and operations. Certain amounts presented in the prior year data have been reclassified in order to be consistent with the current year's presentation.

I. Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

NOTE 2 - CASH AND INVESTMENTS

Cash and investments consists of cash on hand, interest bearing demand deposits and time deposits. At September 30, 2002, the carrying amount of cash and investments was \$91,990, which consisted of deposits of \$91,769 and \$220 in a petty cash fund. The bank balance for the deposits was \$158,178. All of the bank balance was covered by federal depository insurance, except \$1,449 which was uncollateralized.

NOTE 3 - CHANGES IN GENERAL FIXED ASSETS

A summary of changes in general fixed assets during 2002 is as follows:

	Balance 10/01/01	Additions	Deletions	Balance 09/30/02
Furniture and Equipment	\$ 45,167	\$ 8,595	\$ 8,548	\$ 44,714
Vehicles	34,270	0	0	34,270
Totals	\$ 79,436	\$ 8,595	\$ 8,548	\$ 79,482

NOTE 4 - RETIREMENT COMMITMENTS

The Ruston City Marshal's employees are paid by the City of Ruston and receive supplemental wages from the State of Louisiana and the Ruston City Marshal's Office. Wages paid for these employees by the City and the Marshal's Office are covered under the City's participation in the Municipal Employees' Retirement System of Louisiana and retirement contributions are paid by the City. The Ruston City Marshal receives fees and commissions, as an elected municipal official, that are covered under the Ruston City Marshal's Office's participation in the Municipal Employees' Retirement System of Louisiana.

RUSTON CITY MARSHAL'S OFFICE

NOTES TO FINANCIAL STATEMENTS (CONTINUED) **SEPTEMBER 30, 2002**

NOTE 4 - RETIREMENT COMMITMENTS (Continued)

The Municipal Employees' Retirement System of Louisiana (the System) is a cost sharing, multiple employee defined benefit pension plan administered by a separate board of trustees. The System is composed of two distinct plans, Plan A and Plan B, with separate assets and benefit provisions. All permanent employees working at least 35 hours per week who are not covered by another pension plan and are paid wholly or in part from municipal funds and all elected municipal officials are eligible to participate in the System.

Under Plan A, members are required by state statute to contribute 9.25% of their annual covered salary and the Marshal's Office is required to contribute at an actuarially determined rate. The current rate is 8% of annual covered payroll. The contribution requirements of plan members and the Marshal's Office are established and may be amended by state statute. As provided by Louisiana Revised Statute 11:103, the employer contributions are determined by actuarial valuation and are subject to change each year based on the results of the valuation for the prior fiscal year. The Marshal's Office contributions to the System under Plan A for the year ending September 30, 2002, were \$3,629.

The System issues an annual publicly available financial report that includes financial statements and required supplementary information for the System. That report may be obtained by writing to the Municipal Employees' Retirement System of Louisiana, 6750 Van Gogh Avenue, Baton Rouge, Louisiana 70805, or by calling (504) 925-4810.

NOTE 5 - ON-BEHALF PAYMENTS

Employees of the Ruston City Marshal's Office received salaries and fringe benefits from the City of Ruston and the State of Louisiana. The following is a summary of these on-behalf payments:

Salaries	\$ 123,844
Retirement	11,114
Health Insurance	29,413
Payroll Taxes	<u>1,328</u>
Totals	<u>\$ 165,499</u>

Employee retirement contributions are paid by the City of Ruston to the Municipal Employees' Retirement System of Louisiana.

NOTE 6 - FIDUCIARY FUND

The Ruston City Marshal's Office collects cash bail bonds posted by citizens arrested for criminal offenses or their bondsmen. These cash bail bonds are held until final disposition of the respective case involved or until such time as ordered forfeited by the court. When a final disposition of a case is made, the cash bail bond is returned to the citizen or bondsman that posted the bond. In the case of a bond that has been ordered forfeited by the court, the cash bail is disbursed to the Marshal's Fine and Court Cost Fund for further disbursement as provided by law. The cash bond fund is used to account for the collection and ultimate disposition of these cash bail bonds.

RUSTON CITY MARSHAL'S OFFICE

NOTES TO FINANCIAL STATEMENTS (CONTINUED) SEPTEMBER 30, 2002

NOTE 4 - FIDUCIARY FUND (Continued)

A summary of changes in assets and liabilities are as follows for the year ended September 30, 2002:

<u>Cash Bond Fund</u>	<u>Balance</u> <u>10/01/01</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance</u> <u>09/30/02</u>
ASSETS				
Cash	\$ 3,400	\$ 17,387	\$ 17,687	\$ 3,100
TOTAL ASSETS	<u>\$ 3,400</u>	<u>\$ 17,387</u>	<u>\$ 17,687</u>	<u>\$ 3,100</u>
LIABILITIES				
Bonds Held for Future Deposition	\$ 3,400	\$ 17,325	\$ 17,625	\$ 3,100
Due to General Fund	0	72	72	0
TOTAL LIABILITIES	<u>\$ 3,400</u>	<u>\$ 17,387</u>	<u>\$ 17,687</u>	<u>\$ 3,100</u>

The Ruston City Marshal's Office collects fines and court costs received from violators of misdemeanor charges and forfeited cash bail bonds. City fines are disbursed to the City of Ruston and state fines are disbursed to the Lincoln Parish Police Jury. Court costs are disbursed to various agencies including the Marshal's General Fund for criminal court cost as provided by law. The fine and court cost fund is used to account for the collection and disbursement of these amounts. A summary of changes in assets and liabilities are as follows for the year ended September 30, 2002:

Fines and Court Costs Fund

	<u>Balance</u> <u>10/01/01</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance</u> <u>09/30/02</u>
ASSETS				
Cash	\$ 650	\$ 615,700	\$ 617,400	\$ 0
TOTAL ASSETS	<u>\$ 650</u>	<u>\$ 615,700</u>	<u>\$ 617,400</u>	<u>\$ 0</u>
LIABILITIES				
Un disbursed Fines and Court Costs	\$ 650	\$ 613,700	\$ 614,350	\$ 0
Due to Other Funds	0	3,000	3,050	0
TOTAL LIABILITIES	<u>\$ 650</u>	<u>\$ 615,700</u>	<u>\$ 617,400</u>	<u>\$ 0</u>

The Ruston City Marshal's Office collects court ordered wage garnishments, receives proceeds from Marshal's sales (of court ordered seized property) and of seizures (of court ordered seized property). Receipts, after paying the costs associated with the garnishment, sale, or seizure, are disbursed to the plaintiff or the plaintiff's attorney as provided by law. The civil fund is used to account for the collection and disbursement of these amounts. A summary of changes in assets and liabilities are as follows for the year ended September 30, 2002:

<u>Civil Fund</u>	<u>Balance</u> <u>10/01/01</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance</u> <u>09/30/02</u>
ASSETS				
Cash	\$ 0	\$ 340,647	\$ 339,921	\$ 726
TOTAL ASSETS	<u>\$ 0</u>	<u>\$ 340,647</u>	<u>\$ 339,921</u>	<u>\$ 726</u>
LIABILITIES				
Un disbursed Civil Funds	\$ 0	\$ 340,209	\$ 339,480	\$ 726
Due to General Fund	0	438	438	0
TOTAL LIABILITIES	<u>\$ 0</u>	<u>\$ 340,647</u>	<u>\$ 339,921</u>	<u>\$ 726</u>

OTHER REPORTS AND SCHEDULES

DON M. MCGHEE
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**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE AND ON
INTERNAL CONTROL OVER FINANCIAL REPORTING BASED ON
AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN
ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS**

Honorable F. Michael Hilton
Ruston City Marshal's Office
P.O. Box 1502
Ruston, LA 71270

I have audited the general purpose financial statements of the Ruston City Marshal's Office, a component unit of the City of Ruston, as of and for the year ended September 30, 2002, and have issued my report thereon dated January 3, 2003. I conducted my audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States.

Compliance

As part of obtaining reasonable assurance about whether the Ruston City Marshal's Office's financial statements are free of material misstatement, I performed tests of its compliance with certain provisions of laws, regulations, contracts, and grants, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of my audit and, accordingly, I do not express such an opinion. The results of my tests disclosed no instances of noncompliance that are required to be reported under Government Auditing Standards.

Internal Control Over Financial Reporting

In planning and performing my audit, I considered the Ruston City Marshal's Office's internal control over financial reporting in order to determine my auditing procedures for the purpose of expressing my opinion on the general purpose financial statements, and not to provide assurance on the internal control over financial reporting. However, I noted certain matters involving the internal control over financial reporting and its operation that I consider to be a reportable condition. Reportable conditions involve matters coming to my attention relating to significant deficiencies in the design or operation of the internal control over financial reporting that, in my judgement, could adversely affect the Ruston City Marshal's Office's ability to record, process, summarize, and report financial data consistent with the assertions of management in the general purpose financial statements. This reportable condition is described in the accompanying schedule of findings and questioned costs as item #2002-1.

A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements in amounts that would be material in relation to the general purpose financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. My consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control that might be reportable conditions and, accordingly, would not necessarily disclose all reportable conditions that are also considered to be material weaknesses. However, I consider the reportable condition described above to be a material weakness.

This report is intended solely for the information of the Ruston City Marshal's Office, the City of Ruston, and the Legislative Auditor of Louisiana and is not intended to be and should not be used by anyone other than these specified parties.



Don M. McCreary
Certified Public Accountant

January 3, 2003

RUSTON CITY MARSHAL'S OFFICE

SCHEDULE OF FINDINGS AND QUESTIONED COSTS FOR THE YEAR ENDED SEPTEMBER 30, 2002

I have audited the financial statements of the Ruston City Marshal's Office as of and for the year ended September 30, 2002, and have issued my report thereon dated January 3, 2003. I conducted my audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States. My audit of the financial statements as of September 30, 2002 resulted in an unqualified opinion.

Section I Summary of Auditor's Reports

Report on Internal Control and Compliance Material to the Financial Statements

Internal Control

Material Weaknesses ☒ Yes ☐ No

Reportable Conditions ☒ Yes ☐ No

Compliance

Compliance Material to Financial Statements ☐ Yes ☒ No

Section II Financial Statement Findings

2002-1. The Ruston City Marshal's Office has too few personnel involved in the accounting system to have adequate separation of duties for internal control.

RUSTON CITY MARSHAL'S OFFICE

SCHEDULE OF PRIOR YEAR FINDINGS FOR THE YEAR ENDED SEPTEMBER 30, 2002

SECTION I INTERNAL CONTROL AND COMPLIANCE MATERIAL TO THE FINANCIAL STATEMENT

FINDINGS

2001-1. Separation of Duties. Too few personnel involved in the accounting system to have adequate separation of duties for internal control.

RESPONSE

Unresolved. See 2002-1.

SECTION II MANAGEMENT LETTER

No findings were reported under this section.

RUSTON CITY MARSHAL'S OFFICE

MANAGEMENT'S CORRECTIVE ACTION PLAN FOR THE YEAR ENDED SEPTEMBER 30, 2002

SECTION I: INTERNAL CONTROL AND COMPLIANCE MATERIAL TO THE FINANCIAL STATEMENT

FINDINGS

2002-1. Separation of Duties. Too few personnel involved in the accounting system to have adequate separation of duties for internal control.

RESPONSE

It would not be cost-effective to hire additional personnel to provide adequate separation of duties for internal control for this size workload.

SECTION II: MANAGEMENT LETTER

No findings have been reported under this section.